Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Branch
www.ams.usda.gov/tmdtsb/grain

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Contents

The next release is Dec. 8, '05

Winter Repair Work and Lock Closings. Mississippi River Lock and Dam (L&D) 11 and L&D 19 will be closed to perform major rehabilitation and maintenance work from December 15, 2005, to March 15, 2006. The closure of L&D 19 will prevent grain barge traffic originating above Keokuk, Iowa, from reaching the lower Mississippi River. The Illinois River, which is open year-round, flows into the Mississippi River between L&D 25 and L&D 26 (Melvin Price L&D). The Mississippi River is usually free of ice below Melvin Price. L&D 20, 21 and 22 will continue to lock traffic 24 hours a day, 7 days a week, depending on winter conditions. Mississippi River Locks 12, 13, 14, 15, 16, 17, and 18 will lock traffic between 0800 and 1600 hours, Monday through Friday only, from December 15, 2005 through March 15, 2006.

Locks locations on Upper Mississippi River and Illinois Waterway

River Ice Advisories. As of November 28, water temperatures in the Mississippi River near Minneapolis are in the mid-30's and some areas report water temperatures of 32 degrees. Ice can form quickly on the river, and most of the northern reaches of the Upper Mississippi River will be closed by mid-December. During this time, channel velocities will decrease and ice will build up at bends in the river and on submerged structures. Once initial ice formation is complete, flows will rebound slightly, making movement somewhat less difficult. Gorged ice—an accumulation of broken river ice caught against an obstruction—becomes a hazard to barges. Barges that force through or over gorged ice are frequently holed, stoved-in, or buckled, and may sink. Sheet ice can prevent the opening of the lock gates. When the gates cannot be fully opened into their recesses, they are vulnerable to damage from tows entering or departing the lock chamber. The size of tows may be limited if ice is heavy. During past severe winters, the Army Corps of Engineers has advised that tows composed of eight jumbo barges in a two-wide-by-four-long configuration allow the best traffic movement. Navigation notices will be issued if conditions warrant the limitation of the size and/or configuration of tows. (Rock Island District, Mississippi Valley Division, U.S. Army Corps of Engineers, (http://www.mvr.usace.army.mil/))
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Grain Transportation Indicators

Table 1--Grain transport cost indicators*

	Truck	Rail**	Barge	Ocean	
Week ending				Gulf	Pacific
11/30/05	166	270	203	189	167
Compared with last week	↓	↓	↓	↓	↑

*Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

**The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

Table 2--Market update: U.S. origins to export position price spreads ($/bushel)

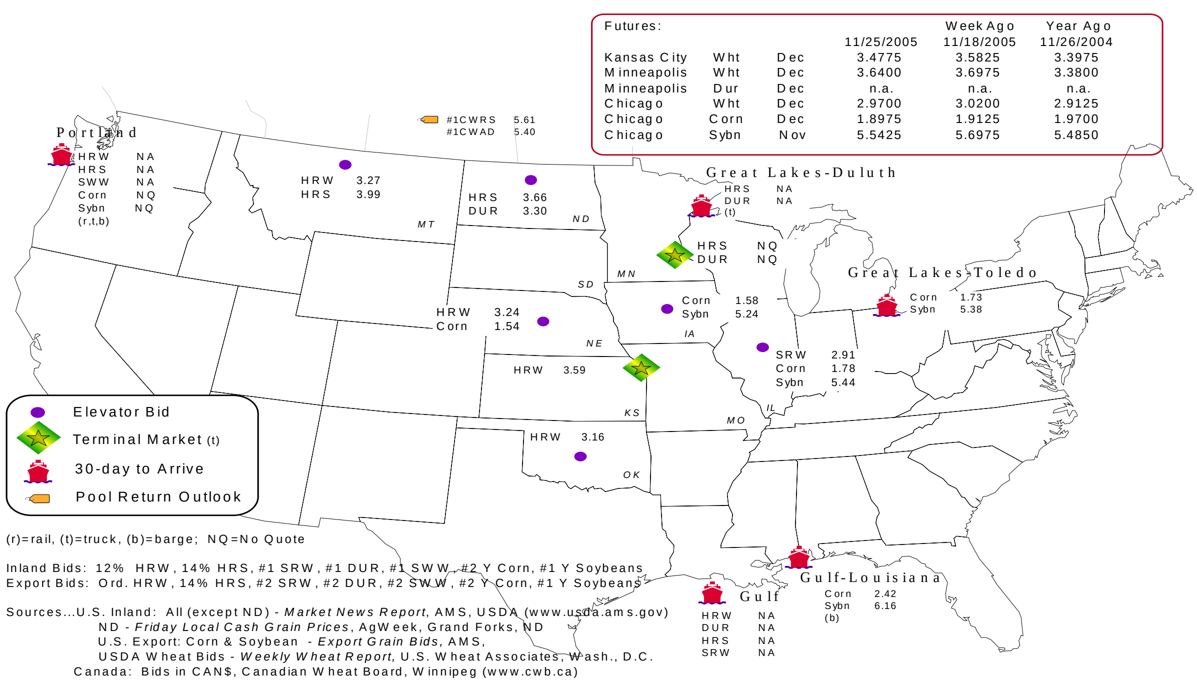
Commodity	Origin--destination	11/25/2005	11/18/2005
Corn	IL--Gulf	-0.64	-0.69
Corn	NE--Gulf	-0.88	-0.91
Soybean	IA--Gulf	-0.92	-0.93
HRW	KS--Gulf	n/a	-0.92
HRS	ND--Portland	n/a	-1.47

Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1
Grain bid summary



Rail Transportation

Table 3--Rail deliveries to port (carloads)*

Week ending	Mississippi Gulf***	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
11/23/2005[p]	1,511	2,235	1,904	4,684	589	10,923
11/16/2005[r]	1,110	1,779	1,408	4,754	707	9,758
2005 YTD	44,548	89,299	82,735	203,191	13,885	433,658
2004 YTD	37,749	84,834	57,468	188,170	8,897	377,118
2005 as % of 2004	118	105	144	108	156	115
Total 2004	43,102	92,073	67,992	209,625	10,986	423,778
Total 2003**	n/a	88,194	48,805	157,125	20,509	n/a

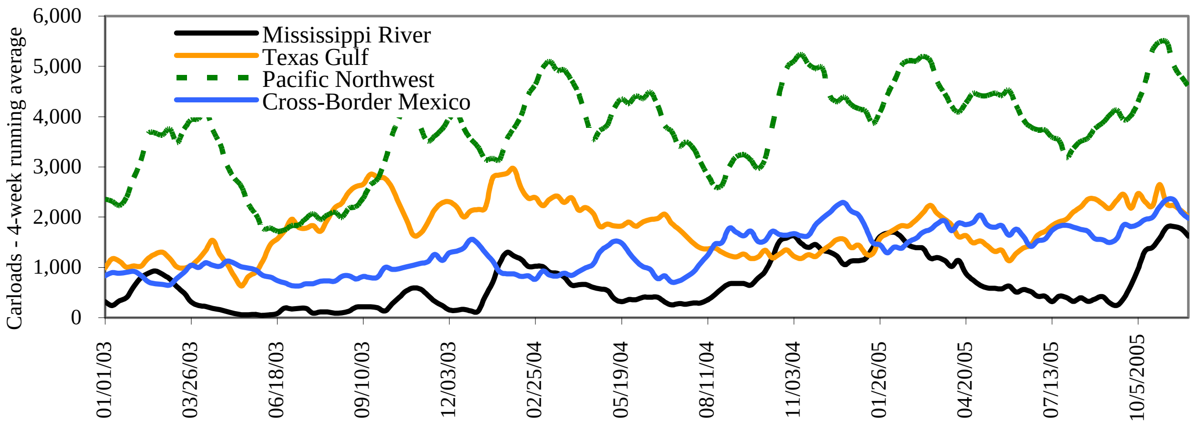
(*) Incomplete Data; as of 9/22/04, Cross-Border movements included; (**) Excludes 53rd week; (***) Mississippi Gulf data back to January, 2004 from several new sources has been added; YTD= year-to-date; p=preliminary data; r = revised data

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail deliveries to port



Source: Transportation & Marketing Programs/AMS/USDA

Figure 3

Total weekly U.S. grain car loadings for Class I railroads

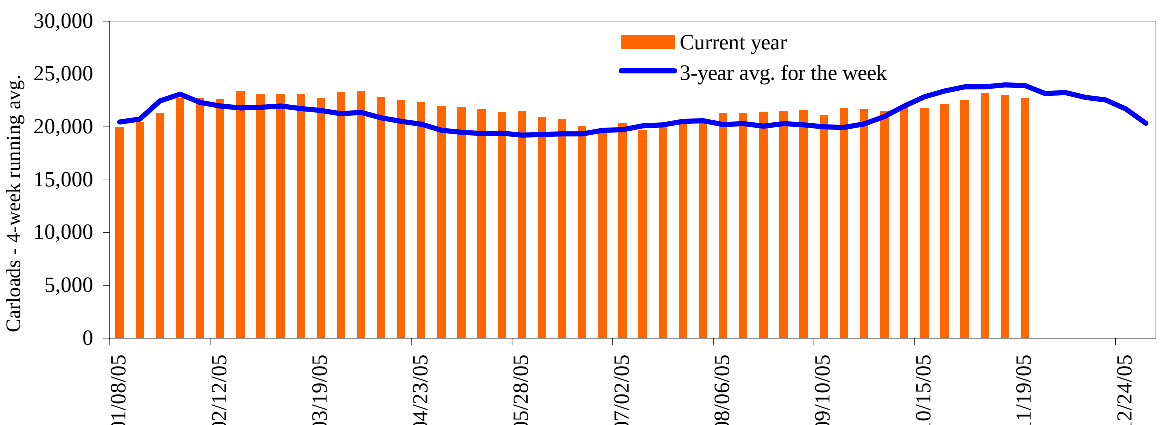


Table 4--Class I rail carrier grain car bulletin (grain carloads originated)

	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
11/19/05	3,099	3,437	9,569	222	5,953	22,280	5,344	4,951
This week last year	3,310	3,960	9,128	574	5,941	22,913	4,650	4,960
2005 YTD	135,214	149,550	420,472	24,638	277,134	1,007,008	197,588	187,220
2004 YTD	126,886	150,967	405,407	24,819	294,213	1,002,292	209,310	184,672
2005 as % of 2004	107	99	104	99	94	100	94	101
Total 2004	142,206	169,650	458,587	27,618	327,510	1,125,571	237,664	210,060

Source: Association of American Railroads (www.aar.org); YTD = year-to-date

Table 5--Rail car auction offerings*, week ending 11/26/05 ($/car)**

Delivery for:	Jan-05	Feb-06	Mar-06
BNSF[1]			
COT/N. grain	no offer	$99	$84
COT/S. grain	no offer	$193	$154
UP[2]			
GCAS/Region 1	no offer	no offer	no offer
GCAS/Region 2	no offer	no offer	no offer

*Auction offerings are for single-car and unit train shipments only.

**Average premium/discount to tariff, last auction

[1]BNSF - COT = Certificate of Transportation

N includes: ID, MN, MT, ND, OR, SD, WA, WI, WY, and Manitoba, Canada.

S includes: CO, IA, IL, KS, MO, NE, OK, TX, NM, AZ, CA, UT, and NV.

[2]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

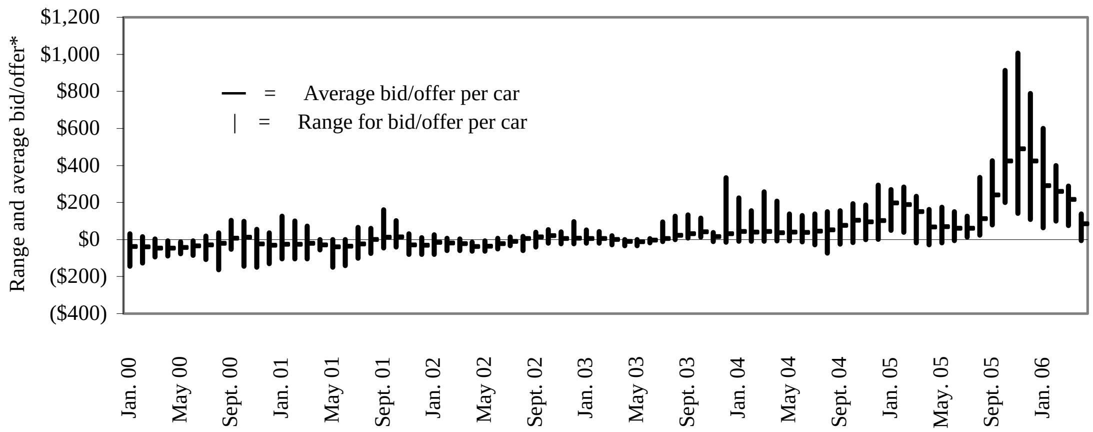
Source: Transportation & Marketing Programs/AMS/USDA

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Secondary rail car market, delivery month-year



*up to 6 months of trading

Source: Transportation & Marketing Programs/AMS/USDA

Average bid/offer is the simple average of all the weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Range for bid/offer shows the range of average weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Table 6--Weekly secondary rail car market, week ending 11/26/05 ($/car)*

	Delivery period			
	Jan-06	**Feb-06**	**Mar-06**	**Apr-06**
BNSF-GF	$150	$100	$75	$50
Change from last week	$12	$0	$0	$0
UP-Pool	$200	$167	$142	$40
Change from last week	-$50	-$27	-$14	$45

*Average premium/discount to tariff, $/car-last week

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
Missing value = no bid quoted; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7--Tariff rail rates for unit and shuttle train shipments*

Effective date: 11/7/2005	Origin Region	Destination Region	Rate/car	Rate/metric ton	Rate/bushel**
Unit train*					
Wheat	Chicago, IL	Albany, NY	$1,861	$20.51	$0.56
	Kansas City, MO	Galveston, TX	$2,020	$22.27	$0.61
	South Central, KS	Galveston, TX	$2,450	$27.01	$0.74
	Minneapolis, MN	Houston, TX	$2,420	$26.68	$0.73
	St. Louis, MO	Houston, TX	$2,360	$26.01	$0.71
	South Central, ND	Houston, TX	$4,117	$45.38	$1.24
	Minneapolis, MN	Portland, OR	$3,848	$42.42	$1.15
	South Central, ND	Portland, OR	$3,841	$42.34	$1.15
	Northwest, KS	Portland, OR	$4,490	$49.49	$1.35
	Chicago, IL	Richmond, VA	$2,161	$23.82	$0.65
Corn	Chicago, IL	Baton Rouge, LA	$2,610	$28.77	$0.73
	Council Bluffs, IA	Baton Rouge, LA	$2,471	$27.24	$0.69
	Kansas City, MO	Dalhart, TX	$1,965	$21.66	$0.55
	Minneapolis, MN	Portland, OR	$3,130	$34.50	$0.88
	Evansville, IN	Raleigh, NC	$1,961	$21.62	$0.55
	Columbus, OH	Raleigh, NC	$1,850	$20.39	$0.52
	Council Bluffs, IA	Stockton, CA	$3,606	$39.75	$1.01
Soybeans	Chicago, IL	Baton Rouge, LA	$2,655	$29.27	$0.80
	Council Bluffs, IA	Baton Rouge, LA	$2,515	$27.72	$0.75
	Minneapolis, MN	Portland, OR	$3,610	$39.79	$1.08
	Evansville, IN	Raleigh, NC	$1,961	$21.62	$0.59
	Chicago, IL	Raleigh, NC	$2,561	$28.23	$0.77
Shuttle Train*					
Wheat	St. Louis, MO	Houston, TX	$1,820	$20.06	$0.55
	Minneapolis, MN	Portland, OR	$3,648	$40.21	$1.09
Corn	Fremont, NE	Houston, TX	$2,304	$25.40	$0.65
	Minneapolis, MN	Portland, OR	$3,024	$33.33	$0.85
Soybeans	Council Bluffs, IA	Houston, TX	$2,412	$26.59	$0.72
	Minneapolis, MN	Portland, OR	$3,170	$34.94	$0.95

*A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

**Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Table 8--Tariff rail rates for U.S. bulk grain shipments to Mexico, 2005
Effective date: 11/07/05

Commodity	Origin State	Border crossing region	Train size	Rate[1]	Rate/metric ton	Rate/bushel**
Wheat	KS	Brownsville, TX	Shuttle	$2,851	$29.13	$0.79
	ND	Eagle Pass, TX	Unit	$4,004	$40.91	$1.11
	OK	El Paso, TX	Shuttle	$2,264	$23.13	$0.63
	OK	El Paso, TX	Unit	$2,432	$24.85	$0.68
	AR	Laredo, TX	Unit	$2,383	$24.35	$0.66
	IL	Laredo, TX	Unit	$3,188	$32.57	$0.89
	MT	Laredo, TX	Shuttle	$4,298*	$43.92	$1.19
	TX	Laredo, TX	Shuttle	$2,165	$22.12	$0.60
	MO	Laredo, TX	Shuttle	$2,731	$27.90	$0.76
	WI	Laredo, TX	Unit	$3,405	$34.79	$0.95
Corn	NE	Brownsville, TX	Shuttle	$3,214	$32.84	$0.83
	NE	Brownsville, TX	Unit	$3,645*	$37.24	$0.95
	IA	Eagle Pass, TX	Unit	$3,444	$35.19	$0.89
	MO	Eagle Pass, TX	Shuttle	$3,040*	$31.06	$0.79
	NE	Eagle Pass, TX	Shuttle	$3,440*	$35.15	$0.89
	IA	Laredo, TX	Shuttle	$3,367	$34.40	$0.87
Soybean	IA	Brownsville, TX	Shuttle	$2,989	$30.54	$0.83
	MN	Brownsville, TX	Shuttle	$3,031	$30.97	$0.84
	NE	Brownsville, TX	Shuttle	$2,798	$28.59	$0.78
	NE	Eagle Pass, TX	Shuttle	$2,874	$29.37	$0.80
	IA	Laredo, TX	Unit	$3,028	$30.94	$0.84

A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[1]Rates are based upon published tariff rates for high-capacity rail cars.

*High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

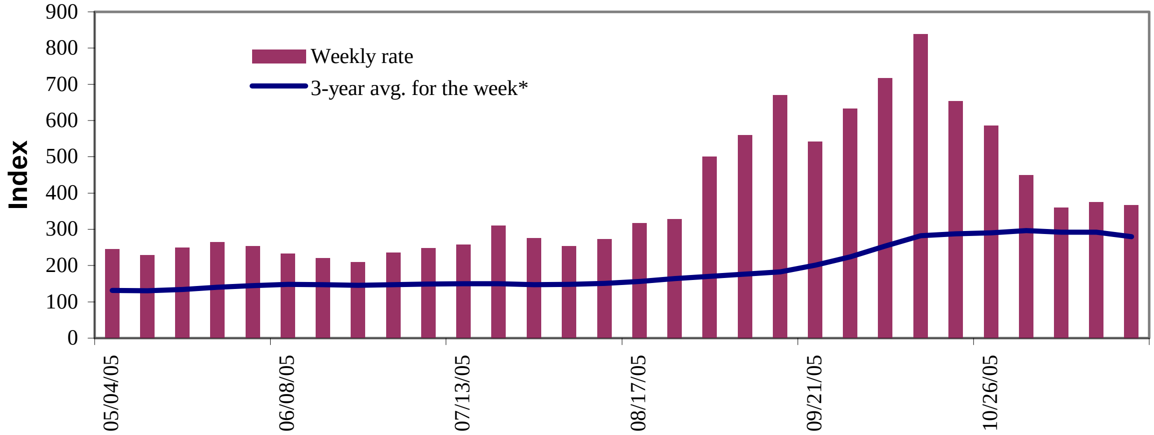
**Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Sources: www.bnsf.com, www.uprr.com

Barge Transportation

Figure 5

Illinois River barge rate index - quotes



Note: Index = percent of tariff rate; *4-week moving average

Source: Transportation & Marketing Programs/AMS/USDA

The **Illinois River barge rate index** averaged 183 percent of the **benchmark tariff rates** between 1999 and 2001, based on weekly market quotes. The **index**, along with **rate quotes** and **futures market** bids are indicators of grain transport supply and demand.

Table 9--Barge rate quotes: southbound barge freight

Location	11/23/2005	11/16/2005	Dec. '05	Feb. '06
Twin Cities	353	410	n/a	n/a
Mid-Mississippi	359	363	n/a	n/a
Illinois River	367	375	375	371
St. Louis	320	326	319	313
Lower Ohio	327	360	334	330
Cairo-Memphis	275	283	291	287

Index = percent of tariff, based on 1976 tariff benchmark rate

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).

Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam (L&D 8).

Figure 6

Benchmark tariff rates

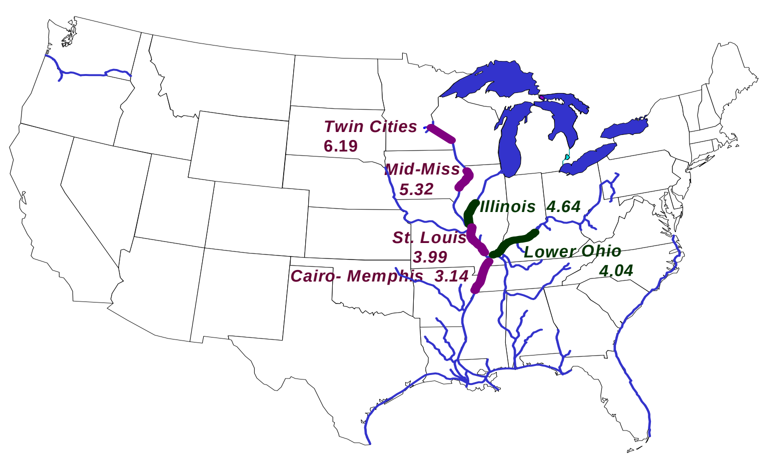
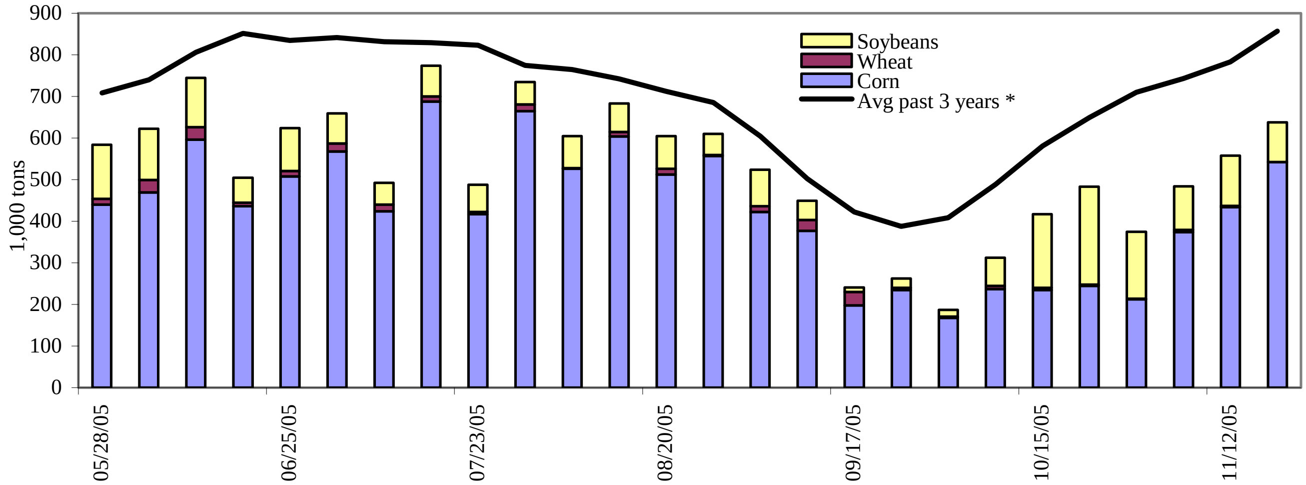


Figure 7

Barge movements on the Mississippi River (Locks 27 - Granite City, IL)



* 4-week moving average

Source: Transportation & Marketing Programs/AMS/USDA

Table 10--Barge grain movements (1,000 tons)

Week ending 11/19/2005	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	430	3	53	0	486
Winfield, MO (L25)	385	0	62	0	447
Alton, IL (L26)	559	0	97	0	656
Granite City, IL (L27)	542	0	96	0	638
Illinois River (L8)	113	0	8	0	121
Ohio River (L52)	66	2	74	0	142
Arkansas River (L1)	0	10	31	12	53
2005 YTD	20,575	1,499	6,235	617	28,926
2004 YTD	22,367	2,500	5,032	679	30,578
2005 as % of 2004 YTD	92	60	124	91	95
Total 2004	26,235	2,701	6,784	843	36,563

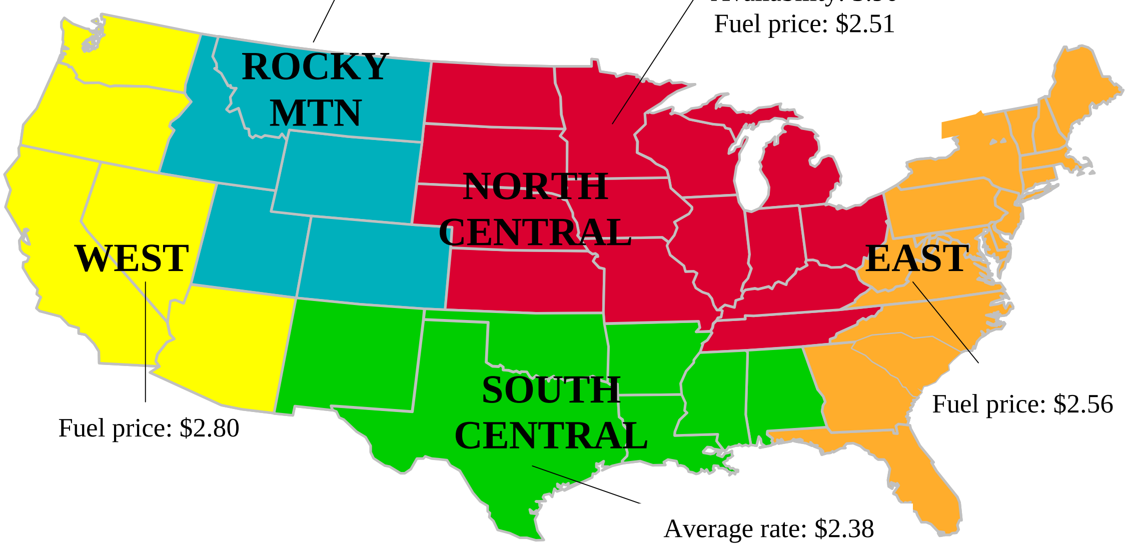
YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

Source: U.S. Army Corp of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Note: Total may not add exactly, due to rounding

Truck Transportation

Figure 8
U.S. grain truck market advisory, 3rd quarter 2005*



*Average rate per loaded mile, based on truck rates for trips of 25, 100, and 200 miles
Note: Fuel prices are a quarterly average (unit per gallon)
Fuel price data source: Energy Information Administration, U.S. Department of Energy, www.eia.doe.gov

Table 11--U.S. grain truck market overview, 3rd quarter 2005

Region	25 miles	100 miles	200 miles	Truck availability	Truck activity	Future truck activity
				Rating compared to same quarter last year		
	[1]Rate per mile			1=Very easy to 5=Very difficult	1=Much lower to 5=Much higher	
National average[2]	**3.16**	**2.38**	**2.04**	**3.6**	**2.9**	**3.2**
North Central region	2.82	2.22	1.98	3.9	2.9	3.2
Rocky Mountain	4.23	2.28	1.96	2.4	2.8	3.2
South Central	2.73	2.28	2.14	3.8	3.0	3.3
West	4.54	3.29	2.65	3.7	3.3	3.0

[1]Rates are based on trucks with 80,000 lb gross vehicle weight limit
[2]National average includes: AR, CO, IA, IL, IN, KS, LA, MN, MS, ND, NE, OH, OK, OR, SD, TX, and WA.
Source: Transportation and Marketing Programs/AMS/USDA

The **weekly diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 12--Retail on-highway diesel prices*, week ending 11/28/05 (US$/gallon)

			Change from	
Region	**Location**	**Price**	**Week ago**	**Year ago**
I	East Coast	2.467	-0.024	0.326
	New England	2.619	-0.033	0.361
	Central Atlantic	2.604	-0.011	0.352
	Lower Atlantic	2.394	-0.029	0.312
II	Midwest[1]	2.442	-0.035	0.356
III	Gulf Coast[2]	2.456	-0.035	0.403
IV	Rocky Mountain	2.591	-0.063	0.420
V	West Coast	2.617	-0.035	0.384
	California	2.599	0.000	0.312
Total	U.S.	2.479	-0.034	0.363

*Diesel fuel prices include all taxes.

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

[1]Same as North Central

[2]Same as South Central

Grain Exports

Table 13--U.S. export balances (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending 1/	HRW	SRW	HRS	SWW	DUR	All wheat			
11/17/2005	2,950	272	1,209	803	103	5,337	7,814	4,384	17,535
This week year ago	1,726	560	1,219	735	90	4,331	9,141	6,786	20,258
Cumulative exports-crop year 2/									
2005/06 YTD	5,045	1,083	3,962	1,915	361	12,365	10,251	6,736	29,352
2004/05 YTD	4,718	2,031	4,100	2,688	294	13,831	10,258	8,938	33,027
2005/06 as % of 2004/05	107	53	97	71	123	89	100	75	89
2004/05 Total	9,407	3,217	8,083	4,773	686	26,117	44,953	29,878	100,948
2003/04 Total	12,697	3,785	6,928	4,895	1,053	29,359	47,704	24,108	101,171

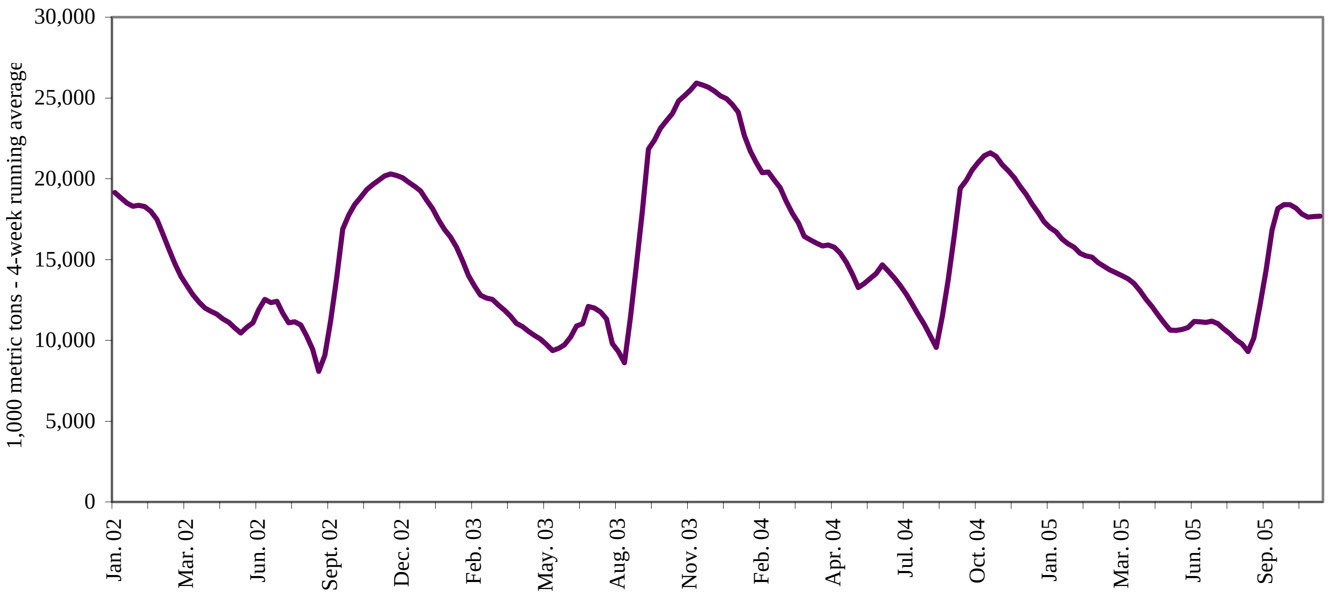
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current unshipped export sales to date

2/ = Shipped export sales to date

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Figure 9

U.S. grain, unshipped export balance, including wheat, corn, and soybean sales



Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 14--Select U.S. port regions - grain inspections for export (1,000 metric tons)

	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
Week ending	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
11/24/05	211	122	66	48	452	396	218	46	0	399	896	264
2005 YTD	9,575	9,137	5,418	4,319	24,641	12,742	6,776	716	25	24,130	41,702	7,517
2004 YTD	11,587	9,307	4,008	6,756	30,085	13,054	7,879	84	20	24,902	49,895	7,983
2005 as % of 2004	83	98	135	64	82	98	86	857	125	97	84	94
2004 Total *	12,600	10,154	4,787	7,269	33,321	15,952	8,558	186	25	27,541	56,541	8,769

Source: Grain Inspection, Packers and Stockyards Aministration/USDA (www.usda.gov/gipsa); YTD: year-to-date; * includes 53rd week

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 55 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2004.

Figure 10

U.S. grain inspected for export (wheat, corn, and soybeans)

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.usda.gov/gipsa)

Ocean Transportation

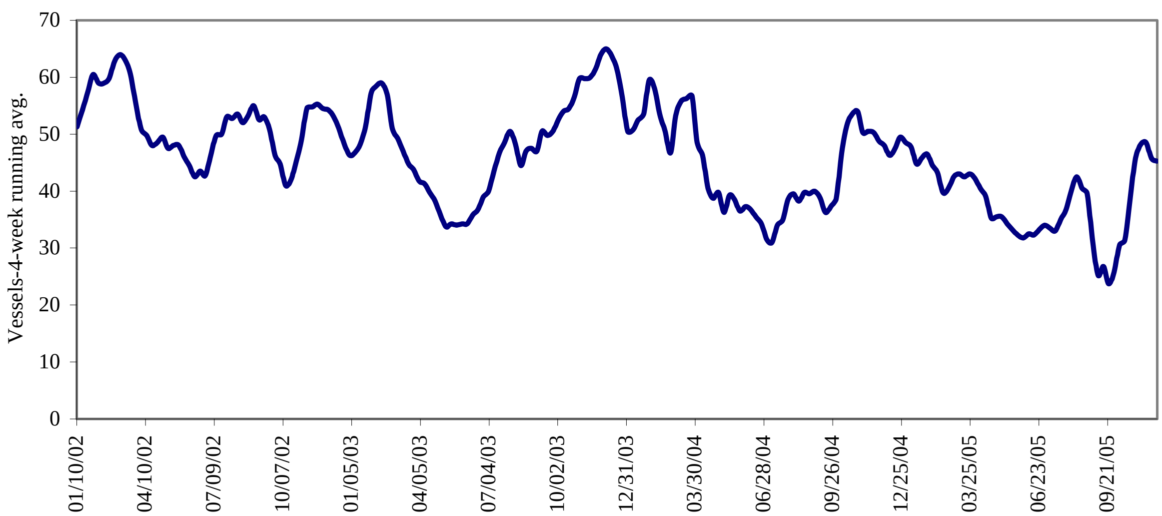
Table 15--Weekly port region grain ocean vessel activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
11/24/2005	29	45	64	7	10
11/17/2005	35	41	54	8	17
2004 range	(10..43)	(25..73)	(38..96)	(4..16)	(0..18)
2004 avg.	24	45	61	9	6

Source: Transportation & Marketing Programs/AMS/USDA

Figure 11

Gulf Port grain vessel loading (past 7 days)



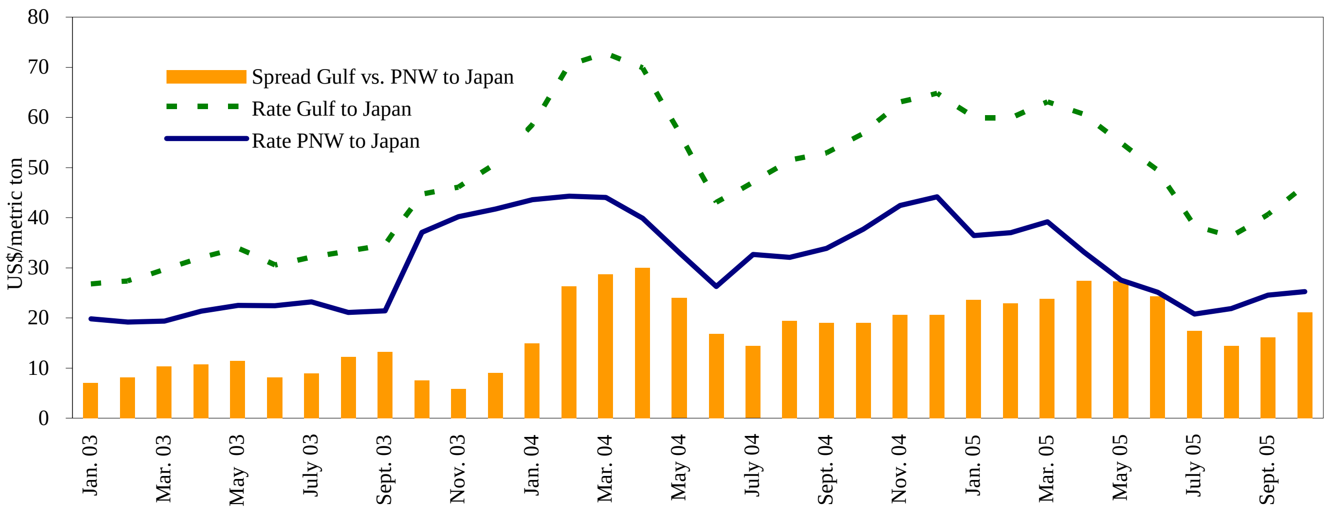
Source: Transportation & Marketing Programs/AMS/USDA

Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US$/metric ton)

Countries/ regions	2005 3rd qtr	2004 3rd qtr	Percent change	Countries/ regions	2005 3rd qtr	2004 3rd qtr	Percent change
Gulf to				**Pacific NW to**			
Japan	36.33	50.08	-27	Japan	---	37.00	---
China		54.00	---	**Argentina/Brazil to**			
Taiwan	---	---	---	China	32.00		
N. Africa	24.25	---	---	N. Africa	40.00	---	---
Med. Sea	---	---	---	Turkey	25.00	---	

Source: Maritime Research, Inc. (www.maritime-research.com)

Figure 12
Grain vessel rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

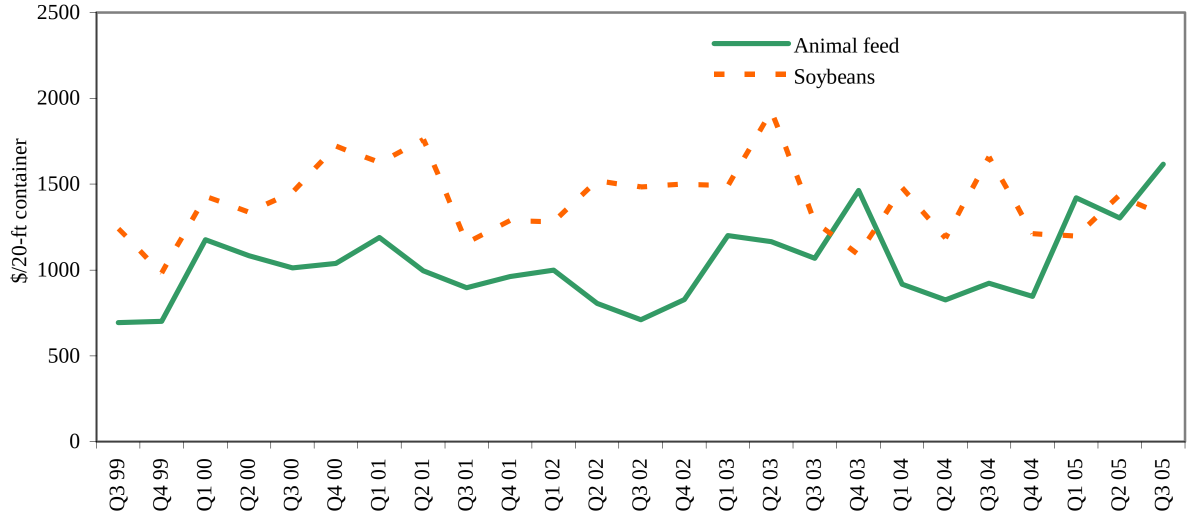
Table 17--Ocean freight rates for selected shipments, week ending 11/26/05

Export region	Import region	Grain	Month	Volume loads (metric tons)	Freight rate ($/metric ton)
U.S. Gulf	Nicaragua*	Wheat	Nov 15/25	4,130	69.99
U.S. Gulf	Japan	Hvy Grain	Oct 1/15	44,000	46.00
U.S. Gulf	Japan	Hvy Grain	Nov 1/5	54,000	47.50
U.S. Gulf	Morocco	Hvy Grain	Oct 1/20	30,000	31.00
River Plate	Spain	Hvy Grain	Oct 10/20	55,000	39.00
River Plate	Algeria	Hvy Grain	Dec 1/10	25,000	42.50
River Plate	Morocco	Hvy Grain	Oct 27/Nov 3	30,000	39.50
Russia	Pakistan	Hvy Grain	Oct 15/20	55,000	32.50

Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option
*75 percent of food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are limited in availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.
Source: Maritime Research Inc. (www.maritime-research.com)

Figure 13

Weighted average rates[1] for containerized shipments of animal feed and soybeans to selected Asian countries



[1]Animal Feed: Busan-Korea (13%), Kaohsiung-Taiwan (35%), Tokyo-Japan (34%), Hong Kong (12%), Bangkok-Thailand (6%) and soybeans: Busan-Korea (1%), Keelung-Taiwan (87%), Tokyo-Japan (9%), Bangkok-Thailand (2%), Hong Kong (1%) Quarter 3, 2005.

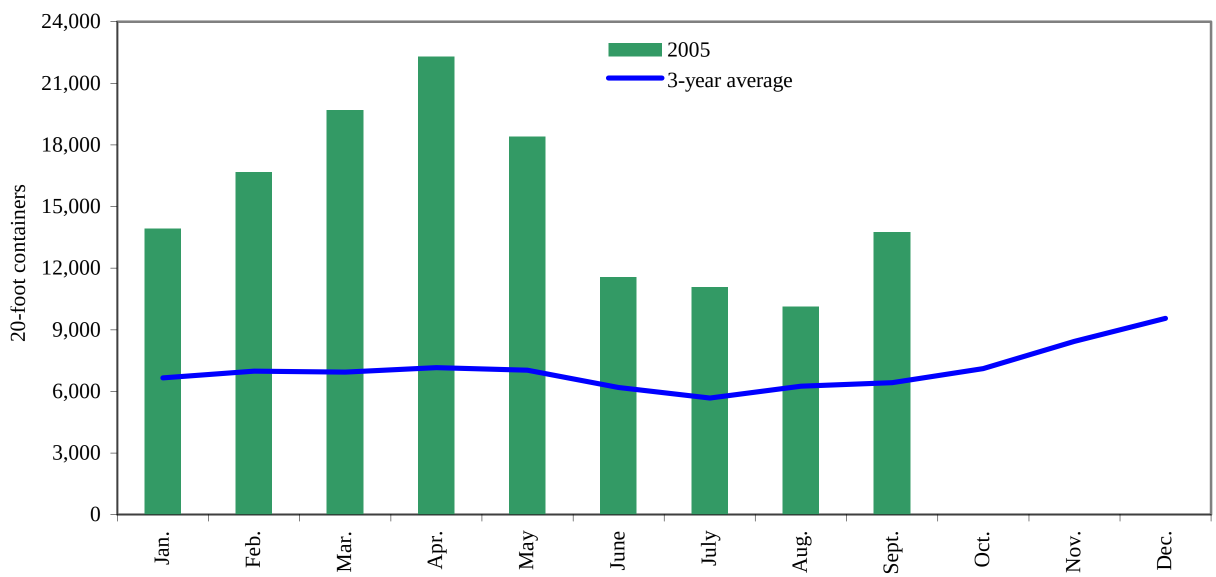
Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2004, containers were used to transport 2 percent of total U.S. grain exported, and 3 percent of total U.S. grain exported to Asia.

Figure 14

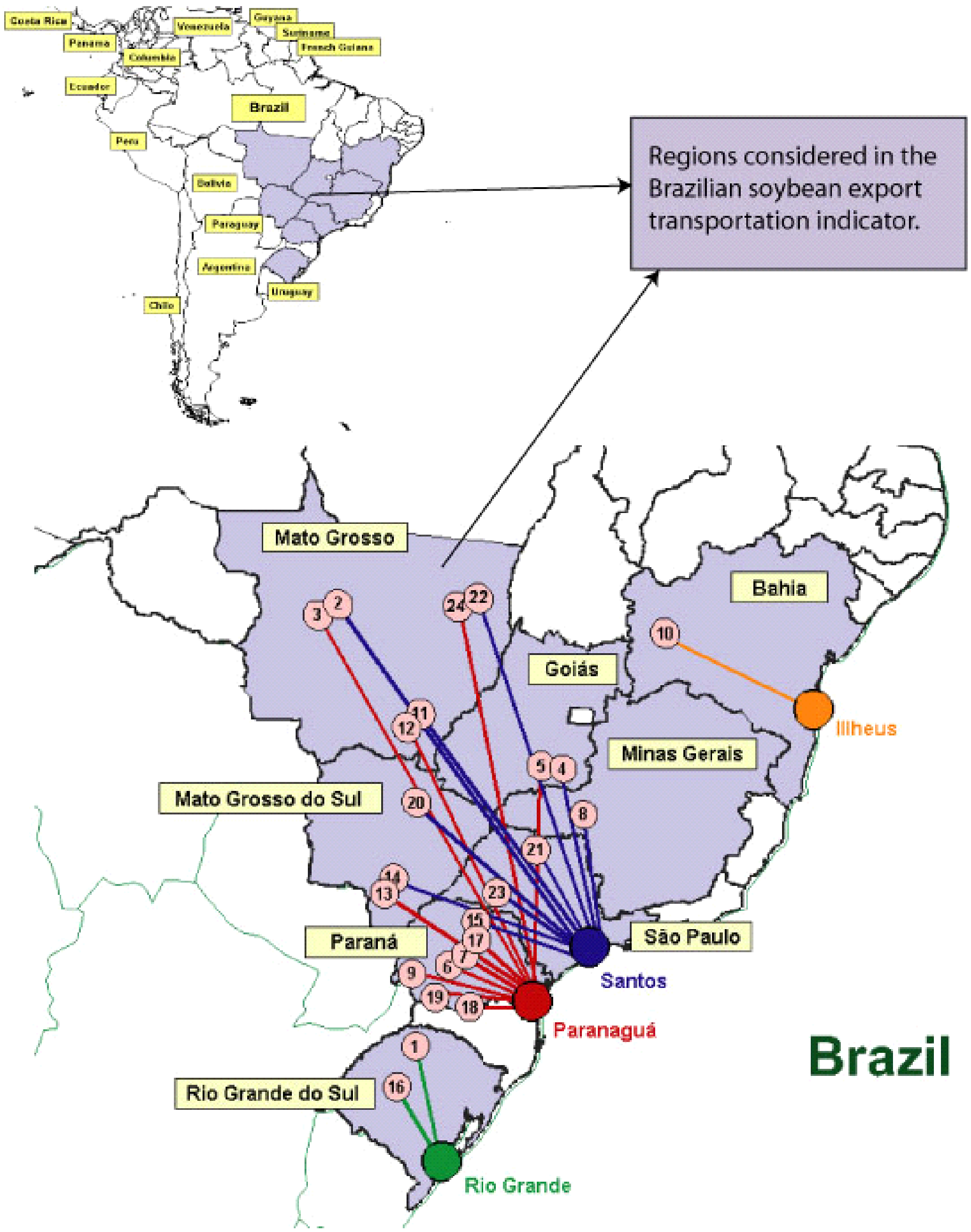
Monthly shipments of containerized grain to Asia for 2005 compared with a 3-year average



Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

Note: PIERS data is available with a lag of approximately 40 days

Figure 15
Routes and Regions considered in the Brazilian soybean export transportation indicator[1]



[1]Regions comprised 84 percent of Brazilian soybean production, 2003
Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 18--Truck rates for selected Brazilian soybean export transportation routes, 2nd quarter 2005

Route #	Origin[1] (reference city)	Destination	Distance (miles)[2]	Weight(%)[3]	Freight price (per 100 miles)[4]
1	Northwest RS[5](Cruz Alta)	Rio Grande	288	16.6	4.40
2	North MT(Sorriso)	Santos	1190	10.1	6.80
3	North MT(Sorriso)	Paranaguá	1262	9.5	6.27
4	South GO(Rio Verde)	Santos	587	7.0	6.83
5	South GO(Rio Verde)	Paranaguá	726	5.6	5.29
6	North Center PR(Londrina)	Paranaguá	268	4.4	8.51
7	Western Center PR(Mamborê)	Paranaguá	311	3.9	5.37
8	Triangle MG(Uberaba)	Santos	339	3.8	10.75
9	West PR(Assis Chateaubriand)	Paranaguá	377	3.7	5.16
10	West Extreme BA(São Desidério)	Ilhéus	544	3.6	7.14
11	Southeast MT(Primavera do Leste)	Santos	901	3.6	6.26
12	Southeast MT(Primavera do Leste)	Paranaguá	975	3.3	5.63
13	Southwest MS(Maracaju)	Paranaguá	612	3.1	6.07
14	Southwest MS(Maracaju)	Santos	652	2.9	6.31
15	West PR(Assis Chateaubriand)	Santos	550	2.5	5.68
16	Western Center RS(Tupanciretã)	Rio Grande	273	2.4	5.49
17	Southwest PR(Chopinzinho)	Paranaguá	291	2.3	5.73
18	Eastern Center PR(Castro)	Paranaguá	130	2.3	10.77
19	South Center PR(Guarapuava)	Paranaguá	204	2.1	7.95
20	North Center MS(São Gabriel do Oeste)	Santos	720	2.0	5.60
21	Ribeirão Preto SP(Guairá)	Santos	314	1.5	7.59
22	Northeast MT(Canarana)	Santos	950	1.4	7.26
23	Assis SP(Palmital)	Santos	285	1.2	7.74
24	Northeast MT(Canarana)	Paranaguá	1075	1.2	6.34
	Average		**626**	**100**	**6.33**

[1]Although each origin region comprises several cities, the main city is considered as a reference to establish the freight price

[2]Distance from the main city of the considered region to the mentioned ports

[3]The weight is directly proportional to the amount of production in each region

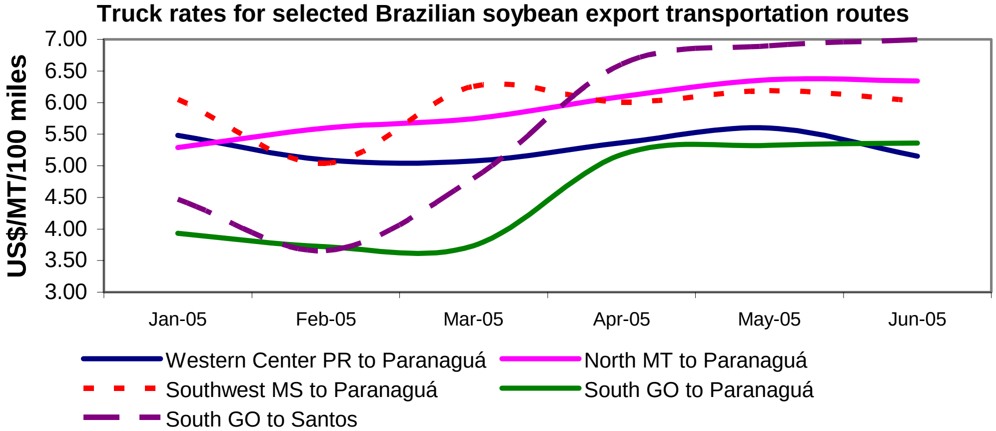
[4]US$ per metric ton (average monthly exchange rate from "Banco Central do Brasil" was used to convert Brazilian reais to the U.S. dollar)

[5]RS = Rio Grande Do Sul, MT= Mato Grosso, GO = Goiás, PR = Paraná, MG = Minas Gerais, BA = Bahia, MS = Mato Grosso Do Sul, SP = São Paulo

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 16

Truck rates for selected Brazilian soybean export transportation routes



Source: ESALQ/ USP (University of São Paulo, Brazil) and USDA/AMS

Table 19--Monthly Brazilian soybean export truck transportation cost index

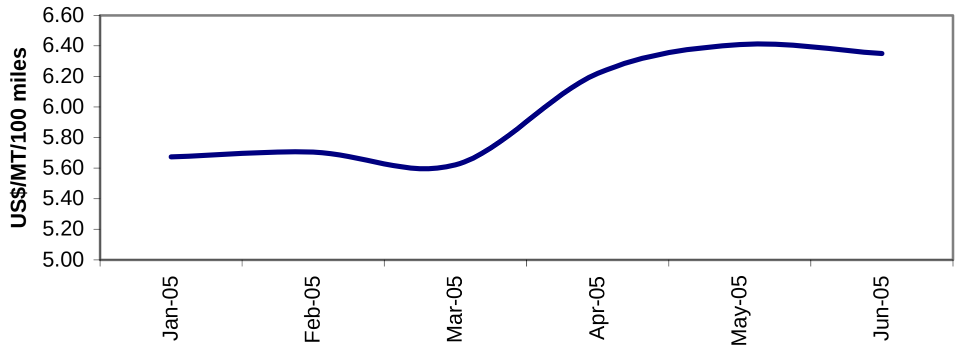
Month	Freight price* (per 100 miles)	Index variation (%) (Base: prior month)	Index value (Base: Jan. 05 = 100)
Jan. 05	5.67		100.00
Feb. 05	5.71	0.5	100.54
Mar. 05	5.62	-1.5	99.08
Apr. 05	6.22	10.6	109.61
May 05	6.41	3.1	112.96
Jun. 05	6.35	-0.9	111.90

*weighted average and quoted in US$ per metric ton

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 17

Brazilian soybean export truck transportation weighted average prices, 2005



Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 20--Quarterly ocean freight rates for shipping soybeans from selected Brazilian ports to Hamburg, Germany (US$/metric ton)*

Ports	2005 1st qtr	2005 2nd qtr
Santos	45.53	45.84
Paranagua	44.64	44.84**
Rio Grande	44.20	44.39

*correspond to the average actual values negotiated between shippers and carriers and weighted according to the magnitude of the shipped volumes

Source: Sistema de Informações de Fretes, SIFRECA, ESALQ/USP (University of São Paulo, Brazil)

**Revised figure

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Related Websites

Agricultural Container Indicators	http://www.ams.usda.gov/tmd2/agci/
Ocean Rate Bulletin	http://www.ams.usda.gov/tmd/Ocean/index.asp